

RFP for Consulting Assistance on Delmarva Power's Integrated Resource Plan
Questions and Answers
December 13, 2006

- 1) We are aware that the generation RFP is currently proceeding. The proposal to obtain long-term supply contracts is strongly related to the IRP filing. Will part of the IRP consultant scope of work include reviewing these generation proposals for the Commission?

The proposals for generation in Delaware will have been previously evaluated and ranked according to the evaluative factors prescribed in the Electric Utilities Retail Customer Supply Act of 2005 ("EURCSA"). The bidder on this RFP will be required to evaluate the possible inclusion of one or more generation projects within the context of the IRP as determined by the Commission and as consistent with the EURCSA IRP legislation requirements.

- 2) Given that Task 3 involves testimony, what is the expected procedural timeline for that work? (For example, when will direct testimony need to be filed?) Will rebuttal testimony also need to be filed?

The Delaware evidentiary process will include attendance at a minimum of 3 public meetings, preparation of testimony, 2-3 days of oral testimony, and preparation of rebuttal testimony. PSC Staff anticipates the public meetings to be held in Feb./Mar. 2007, the review, analysis and recommendation to occur Mar. through Aug. 2007 with the evidentiary process occurring in Sept./Oct./Nov. 2007.

- 3) Page 5 of the RFP states that "The successful offeror will also be required to provide a final written report to the Commission and Coordinating State Agencies". What is the deadline for that?

The final written report will be required upon completion of IRP review in late July/August 2007, prior to the filing of testimony in the Sept./Oct./Nov. 2007 timeframe.

- 4) The description of Task 2 on page 6 states: "...Bidders will be expected to provide their own modeling and analysis that would produce an IRP using the general guidelines provided in the Background portion of this RFP that may or may not be consistent with the IRP filed by Delmarva." Does the Commission and Coordinating State Agencies want to use the modeling and analysis to simply assess Delmarva's IRP filings on a point-by-point basis, or do they expect a full independent investigation in the form of another IRP? Will bidder have access to the models used by Delmarva and its consultants in their IRP filing?

The successful offeror will be expected to provide its own independent modeling as required to substantiate its review and recommendations. The bidder may have access to Delmarva modeling results via a discovery process; however, Delmarva's Consultant considers its model to be proprietary and successful offeror access to technical modeling parameters will be limited. The Commission and Coordinating State Agencies expect an independent analysis of Delmarva's IRP, to include modeling if necessary and with sufficient backup material to support conclusions and recommendations through an evidentiary hearing process. The successful offeror will be expected to supplement Delmarva's IRP to the extent that potential sources of supply are either overlooked or inappropriately applied within an IRP context. It is suggested that bidders may want to identify, as a separate cost, the additional work that may be required to provide a full independent investigation in the form of another IRP.